STATE OF MONTANA DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION BOARD OF OIL AND GAS CONSERVATION HELENA, MONTANA

CONSERVATION AND PREVENTION)
OF WASTE OF OIL AND GAS)

NOTICE OF PUBLIC HEARING

The Board of Oil and Gas Conservation will hold a business meeting at 2:00 p.m., Wednesday, December 13, 2000, at its office located at 2535 St. Johns Avenue, Billings, Montana. The agenda for that meeting is:

- 1. Call to order
- 2. Approval of minutes of October 25, 2000, business meeting
- 3. Opportunity for public comment
- Bond report
- 5. Financial report
- 6. Coal bed methane update
- 7. Programmatic EIS update status
- 8. Staff Reports

The Board will conduct public hearings pursuant to Chapter 11 of Title 82 of the Montana Code Annotated on the matters described below beginning at 8:00 a.m., Thursday, December 14, 2000, in the Billings Petroleum Club, Sheraton Hotel, Billings, Montana. For more information or to request accommodation for a disability, please contact Terri Perrigo at (406) 444-6675 or Tom Richmond at (406) 656-0040 as soon as possible before the scheduled hearing.

Docket No. 177-2000

APPLICANT: BIG SKY RANCHES, INC. - CUSTER COUNTY, MONTANA

Upon the application of **BIG SKY RANCHES, INC.** to flare gas from its State #8-16 well in Section 16, T3N-R51E, Custer County, Montana, for a period not to exceed ninety (90) days.

Docket No. 178-2000

APPLICANT: BIG SKY RANCHES, INC. - CUSTER COUNTY, MONTANA

Upon the application of **BIG SKY RANCHES, INC.** to flare gas from its State #13-16 well in Section 16, T3N-R52E, Custer County, Montana, for a period not to exceed ninety (90) days.

Docket No. 179-2000

APPLICANT: BIG SKY RANCHES, INC. - CUSTER COUNTY, MONTANA

Upon the application of **BIG SKY RANCHES, INC.** to flare gas from its McIntosh #1-11 well in Section 11, T1N-R53E, Custer County, Montana, for a period not to exceed ninety (90) days.

Docket No. 180-2000

APPLICANT: PIONEER ENERGY CORPORATION - SHERIDAN COUNTY, MONTANA

Upon the application of **PIONEER ENERGY CORPORATION** to designate the NE¼ of Section 15, T35N-R53E, Sheridan County, Montana, as a permanent spacing unit for production of oil and associated gas from the Bearpaw, Judith River, Eagle, Niobrara and Greenhorn formations and to allow the production of one gas well for each formation in said spacing unit with 660 foot setbacks from the exterior boundaries thereof for well location

purposes.

Docket No. 181-2000

APPLICANT: PIONEER ENERGY CORPORATION - SHERIDAN COUNTY, MONTANA

Upon the application of **PIONEER ENERGY CORPORATION** to designate the SW¼ of Section 14, T35N-R53E, Sheridan County, Montana, as a permanent spacing unit for the Bearpaw, Judith River, Eagle, Niobrara and Greenhorn formations and to allow the production of one gas well for each formation in said spacing unit with 660 foot setbacks from the exterior boundaries thereof for well location purposes.

Docket No. 182-2000

APPLICANT: PIONEER ENERGY CORPORATION - SHERIDAN COUNTY, MONTANA

Upon the application of **PIONEER ENERGY CORPORATION** to designate the SE¼ of Section 33, T36N-R53E, Sheridan County, Montana, as a permanent spacing unit for the Bearpaw, Judith River, Eagle, Niobrara and Greenhorn formations and to allow the production of one gas well for each formation in said spacing unit with 660 foot setbacks from the exterior boundaries thereof for well location purposes.

Docket No. 183-2000

APPLICANT: CONTINENTAL RESOURCES, INC. - RICHLAND COUNTY, MONTANA

Upon the application of **CONTINENTAL RESOURCES, INC.** to allow production from the Dawson Bay Formation and the Red River Formation to be commingled in the wellbore of the Williams No. 1-4 well in the NE¼NW¼ of Section 4, T23N-R55E, (Red Water East Field) Richland County, Montana.

Docket No. 184-2000

APPLICANT: ROBINSON OIL COMPANY, LLC - TOOLE COUNTY, MONTANA

Upon the application of **ROBINSON OIL COMPANY**, **LLC** to enlarge the East Devon Gas Field established by Board Orders 42-86 and 26-87 to include within said field the E½ of Section 27, T32N-R2E, Toole County, Montana.

Docket No. 185-2000

APPLICANT: <u>UPTON RESOURCES USA, INC. - SHERIDAN COUNTY, MONTANA</u>

Upon the application of **UPTON RESOURCES USA, INC.** to amend Board Order 73-98 to eliminate the 1000 foot inter-well buffer zone established by said order, which created a Ratcliffe Formation spacing unit comprised of Lots 3, 4, and the S½NW¼ of Section 5, T31N-R59E, Sheridan County, Montana.

Docket No. 186-2000

APPLICANT: SUMMIT RESOURCES, INC. - BLAINE COUNTY, MONTANA

Upon the application of **SUMMIT RESOURCES, INC.** to drill a Bowes Formation oil test well in the NW¼ NE¼ of Section 23, T34N-R19E, Blaine County, Montana, at a location 1481 FEL and 356 FNL as an exception to A.R.M. 36.22.702.

Docket No. 187-2000

APPLICANT: WYOMING RESOURCES CORPORATION - SHERIDAN COUNTY, MONTANA

Upon the application of **WYOMING RESOURCES CORPORATION** to certify the production decline rate used to calculate incremental production from its horizontally recompleted Guenther 2-8 well located in Section 8, T33N-R58E.

Docket No. 188-2000

APPLICANT: TITAN OIL INC. - WIBAUX COUNTY, MONTANA

Upon the application of **TITAN OIL INC.** for a Class II injection permit for its Michels A-8-3 well in the SE¼ NE¼ of Section 3, T13N-R60E, Wibaux County, Montana. The fluids to be injected will be produced field water, and injection will occur into the Dakota Formation at a depth of 5542 to 5600 feet. Applicant has requested an aquifer exemption for the Dakota Formation.

Docket No. 189-2000

APPLICANT: TITAN OIL, INC. - WIBAUX COUNTY, MONTANA

Upon the application of **TITAN OIL, INC.** to designate Lots 3, 4, the S½NW¼ and the SW¼ of Section 2, T13N-R60E, Wibaux County, Montana, as a permanent spacing unit for production from the Mission Canyon Formation and to designate its Wojahn A #5-2 well located 2576 FNL and 660 FWL of said Section 2 as the permitted well for said spacing unit.

Docket No. 190-2000

APPLICANT: ENCORE OPERATING, L.P. - FALLON COUNTY, MONTANA

Upon the application of **ENCORE OPERATING, L.P.** to amend Board Order 35-66, which approved a water flood program for secondary recovery of oil from the Red River Interval of the Siluro-Ordovician reservoir underlying lands within the Coral Creek Deep Unit in Fallon County, Montana, to include approval of a secondary recovery program by water flood of all intervals comprising the Siluro-Ordovician reservoir in said Coral Creek Deep Unit.

Docket No. 191-2000

APPLICANT: ENCORE OPERATING, L.P. - FALLON COUNTY, MONTANA

Upon the application of **ENCORE OPERATING, L.P.** to amend the Monarch Field rules established by Board Order 12-59 to create an alternative 640 acre Red River horizontal well spacing unit consisting of all of Section 24, T9N-R58E, Fallon County, Montana, for the drilling of multiple horizontal Red River test wells. Applicant proposes to drill up to four Red River horizontal test wells in said spacing unit with all horizontal laterals to be located not less than 660 feet from the exterior boundaries of the alternative spacing unit.

Docket No. 192-2000

APPLICANT: BALD EAGLE RESOURCES, INC. - LIBERTY COUNTY, MONTANA

Upon the application of **BALD EAGLE RESOURCES, INC.** to drill an additional well in the existing 640 acre pooled unit described as all of Section 33, T35N-R7E, Liberty County, Montana. The proposed additional well will be drilled in the NE¼ of said Section 33 and completed in the same formations and zones as the currently producing Mlinar B #1 well located in the SE¼NE½NW¼ of said Section 33. Applicant also requests the Board to designate the S½ of Section 28, T35N-R7E, Liberty County, Montana, as a 320 acre spacing unit for a well to test the Spike Sand and one or more of the Bow Island Sands.

Docket No. 193-2000

APPLICANT: PETRO-HUNT, LLC - SHERIDAN COUNTY, MONTANA

Upon the application of **PETRO-HUNT, LLC** to drill a well 400 FSL and 400 FWL of Section 12, T32N-R57E, Sheridan County, Montana, said well to be designated as a Class II produced water disposal well for producing wells in the area, i.e. the Katy Lake Field. Applicant proposes to inject said fluids into the Dakota Formation at a depth of approximately 4700 feet.

Docket No. 194-2000

APPLICANT: HEADINGTON OIL, LIMITED PARTNERSHIP - ROOSEVELT COUNTY, MONTANA

Upon the application of **HEADINGTON OIL, LIMITED PARTNERSHIP** to recomplete its Crusch #3-42 well in Section 3, T29N-R58E, Roosevelt County, Montana, for the purpose of water disposal into the Dakota Formation. The water to be disposed of is Ratcliffe Formation produced water from applicant's Panasuk 43X-4 and Crusch 22X-3 wells.

Docket No. 195-2000

APPLICANT: OCEAN ENERGY RESOURCES, INC. - BLAINE COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an Eagle Sand Formation gas well 660 FWL and 660 FSL of Section 5, T27N-R19E, Blaine County, Montana, with a 200 foot tolerance in any direction for topographic reasons as an exception to Board Orders 45-76 and 65-85 (Sawtooth Mountain Field).

Docket No. 196-2000

APPLICANT: OCEAN ENERGY RESOURCES, INC. - BLAINE COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an Eagle Sand Formation gas well 660 FWL and 1400 FSL of Section 6, T27N-R19E, Blaine County, Montana, with a 200 foot tolerance in any direction for topographic reasons as an exception to the Sawtooth Mountain Field rules established by Board Orders 45-76 and 65-85.

Docket No. 197-2000

APPLICANT: OCEAN ENERGY RESOURCES, INC. - BLAINE COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an Eagle Sand Formation gas well 1000 FWL and 1320 FNL of Section 7, T27N-R19E, Blaine County, Montana, with a 200 foot tolerance in any direction for topographic reasons as an exception to the Sawtooth Mountain Field rules established by Board Orders 45-76 and 65-85.

Docket No. 198-2000

APPLICANT: OCEAN ENERGY RESOURCES, INC. - BLAINE COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an Eagle Sand Formation gas well 1200 FWL and 660 FSL of Section 1, T27N-R18E, Blaine County, Montana, with a 75 foot tolerance in any direction for topographic reasons as an exception to the Sawtooth Mountain Field rules established by Board Orders 45-76 and 25-99.

Docket No. 199-2000

APPLICANT: OCEAN ENERGY RESOURCES, INC. - BLAINE COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an Eagle Sand Formation gas well 1000 FNL and 1000 FEL of Section 11, T27N-R18E, Blaine County, Montana, as an exception to the Sawtooth Mountain Field rules established by Board Orders 45-76 and 68-98.

Docket No. 200-2000

APPLICANT: OCEAN ENERGY RESOURCES, INC. - BLAINE COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an Eagle Sand Formation gas well 660 FWL and 1850 FNL of Section 15, T27N-R18E, Blaine County, Montana, with a 75 foot tolerance in any direction for topographic reasons as an exception to the Sawtooth Mountain Field rules established by Board Orders 45-76 and 21-99.

Docket No. 201-2000

APPLICANT: OCEAN ENERGY RESOURCES, INC. - BLAINE COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an Eagle Sand Formation gas well 1000 FEL and 2400 FSL of Section 24, T27N-R18E, Blaine County, Montana, as an exception to the Sawtooth Mountain Field rules established by Board Orders 45-76 and 48-2000.

Docket No. 202-2000

APPLICANT: OCEAN ENERGY RESOURCES, INC. - CHOUTEAU COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill its Henderson #20-15-27-17 well at a location anywhere within the E½ of Section 20, T27N-R17E, Chouteau County, Montana, but not closer than 660 feet to the spacing unit boundary as an exception to the Bullwacker Field rules established by Board Orders 26-74 and 49-99.

Docket No. 203-2000

APPLICANT: OCEAN ENERGY RESOURCES, INC. - HILL COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an additional Eagle-Virgelle formation gas well 2400 FNL and 550 FWL of Section 16, T32N-R17E, Hill County, Montana, with a 75 foot tolerance in any direction for topographic reasons as an exception to the Tiger Ridge Field Order No. 10-70.

Docket No. 204-2000

APPLICANT: OCEAN ENERGY RESOURCES, INC. - HILL COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an additional Eagle-Virgelle Formation gas well in Section 31, T32N-R17E, Hill County, Montana, as an exception to the Tiger Ridge Field Order No. 10-70.

Docket No. 205-2000

APPLICANT: OCEAN ENERGY RESOURCES, INC. - HILL COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an additional Eagle-Virgelle Formation gas well at a location 660 FNL and 2100 FEL of Section 29, T32N-R14E, Hill County, Montana, with a 75 foot tolerance in any direction for topographic reasons as an exception to Board Order 74-2000.

Docket No. 206-2000

APPLICANT: OCEAN ENERGY RESOURCES, INC. - HILL COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an additional Eagle Sand Formation gas well 1200 FSL and 1200 FWL of Section 29, T32N-R14E, Hill County, Montana, as an exception to Board Order 74-2000.

Docket No. 207-2000

APPLICANT: KLABZUBA OIL & GAS, INC. - BLAINE COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to designate all of Section 3, T25N-R18E, Blaine County, Montana, as a permanent spacing unit for the production of gas from the Eagle Sand Formation and to designate its Robinson-Federal #3-25-18 well as the permitted well for production from said formation within said permanent spacing unit.

Docket No. 208-2000

APPLICANT: KLABZUBA OIL & GAS, INC. - BLAINE COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to pool all interests in the permanent spacing unit comprised of all of Section 3, T25N-R18E, Blaine County, Montana, for the production of gas from the Eagle Sand Formation and to impose the non-joinder costs provided for in Section 82-11-202 (2), MCA.

Docket No. 209-2000

APPLICANT: KLABZUBA OIL & GAS, INC. - BLAINE COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to designate all of Section 9, T33N-R18E, Blaine County, Montana, as a permanent spacing unit for production of gas from the Eagle Sand Formation and to designate the Federal #9-33-18 well as the permitted well for production from said formation within the permanent spacing unit.

Docket No. 210-2000

APPLICANT: KLABZUBA OIL & GAS, INC. - BLAINE COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to pool all interests in the permanent spacing unit comprised of all of Section 9, T33N-R18E, Blaine County, Montana, for the production of gas from the Eagle Sand Formation and to impose the non-joinder costs provided for in Section 82-11-202 (2), MCA.

Docket No. 211-2000

APPLICANT: KLABZUBA OIL & GAS, INC. - HILL COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to designate all of Section 33, T35N-R17E, Hill County, Montana, as a permanent spacing unit for the production of gas from the Eagle Sand Formation and designating the East End Colony #33-35-17 well as the permitted well for production from said spacing unit.

Docket No. 212-2000

APPLICANT: KLABZUBA OIL & GAS, INC. - HILL COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to pool all interests in the permanent spacing unit comprised of all of Section 33, T35N-R17E, Hill County, Montana, for production of gas from the Eagle Sand Formation and to impose the non-joinder costs provided for in Section 82-11-202 (2), MCA.

Docket No. 213-2000

APPLICANT: KLABZUBA OIL & GAS, INC. - HILL COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to designate all of Section 31, T35N-R17E, Hill County, Montana, as a permanent spacing unit for production of gas from the Eagle Sand Formation and to designate the East End Colony #31-35-17 well and the East End Colony #31-35-17B well as the permitted wells for production from said formation within the permanent spacing unit.

Docket No. 214-2000

APPLICANT: KLABZUBA OIL & GAS, INC. - HILL COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to pool all interests in the permanent spacing unit comprised of all of Section 31, T35N-R17E, Hill County, Montana, for the production of gas from the Eagle Sand Formation and to impose the non-joinder costs provided for in Section 82-11-202 (2), MCA.

Docket No. 215-2000

APPLICANT: KLABZUBA OIL & GAS, INC. - BLAINE COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to designate all of Section 27, T34N-R17E, Blaine County, Montana, as a permanent spacing unit for production of gas from the Eagle Sand Formation and designating the Hockett-Federal #27-34-17 well as the permitted well for production from said formation within the permanent spacing unit.

Docket No. 216-2000

APPLICANT: KLABZUBA OIL & GAS, INC. - BLAINE COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to pool all interests in the permanent spacing unit comprised of all of Section 27, T34N-R17E, Blaine County, Montana, for production of gas from the Eagle Sand Formation and to impose the non-joinder costs provided for in Section 82-11-202 (2), MCA.

Docket No. 217-2000

APPLICANT: KLABZUBA OIL & GAS, INC. - BLAINE COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to designate all of Section 30, T34N-R18E, Blaine County, Montana, as a permanent spacing unit for the production of gas from the Eagle Sand Formation and designating the Federal #30-34-18 well and the Federal #30-34-18B well as the permitted wells for production from said formation within the permanent spacing unit.

Docket No. 218-2000

APPLICANT: KLABZUBA OIL & GAS, INC. - BLAINE COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to pool all interests in the permanent spacing unit comprised of all of Section 30, T34N-R18E, Blaine County, Montana, for production of gas from the Eagle Sand Formation and to impose the non-joinder costs provided for in Section 82-11-202 (2), MCA.

Docket No. 219-2000

APPLICANT: KLABZUBA OIL & GAS, INC. - BLAINE COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to designate all of Section 29, T34N-R18E, Blaine County, Montana, as a permanent spacing unit for production of gas from the Eagle Sand Formation and designating the Federal #29-34-18 well as a permitted well for production from said formation within the permanent spacing unit and authorizing the drilling of a second well in the spacing unit in accordance with Board Order 29-2000.

Docket No. 220-2000

APPLICANT: KLABZUBA OIL & GAS, INC. - BLAINE COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to pool all interests in the permanent spacing unit comprised of all of Section 29, T34N-R18E, Blaine County, Montana, for production of gas from the Eagle Sand Formation and to impose the non-joinder costs provided for in Section 82-11-202 (2), MCA.

Docket No. 221-2000

APPLICANT: KLABZUBA OIL & GAS, INC. - HILL COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to designate all of Section 22, T36N-R15E, Hill County, Montana, as a permanent spacing unit for production of gas from the Eagle Sand Formation and designating the Metzger-State #22-36-15 well as the permitted well for production from said formation within the permanent spacing unit.

Docket No. 222-2000

APPLICANT: KLABZUBA OIL & GAS, INC. - HILL COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to pool all interests in the permanent spacing unit comprised of all of Section 22, T36N-R15E, Hill County, Montana, for the production of gas from the Eagle Sand Formation and to impose the non-joinder costs provided for in Section 82-11-202 (2), MCA.

Docket No. 223-2000

APPLICANT: KLABZUBA OIL & GAS, INC. - HILL COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to designate all of Section 34, T36N-R15E, Hill County, Montana, as a permanent spacing unit for production of gas from the Eagle Sand Formation and to designate the Hilldale Colony #34-36-15 well as the permitted well for production from said formation within the permanent spacing unit.

Docket No. 224-2000

APPLICANT: KLABZUBA OIL & GAS, INC. - HILL COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to pool all interests in the permanent spacing unit comprised of all of Section 34, T36N-R15E, Hill County, Montana, for production of gas from the Eagle Sand Formation and to impose the non-joinder costs provided for in Section 82-11-202 (2), MCA.

Docket No. 225-2000

APPLICANT: KLABZUBA OIL & GAS, INC. - BLAINE COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to designate all of Section 36, T33N-R18E, Blaine County, Montana, as a permanent spacing unit for production of gas from the Eagle Sand Formation and to designate the State #36-33-18 well and the State #36-33-18B well as the permitted wells for production from said permanent spacing unit.

Docket No. 226-2000

APPLICANT: KLABZUBA OIL & GAS, INC. - BLAINE COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to pool all interests in the permanent spacing unit comprised of all of Section 36, T33N-R18E, Blaine County, Montana, for production of gas from the Eagle Sand Formation and to impose the non-joinder costs provided for in Section 82-11-202 (2), MCA.

Docket No. 227-2000

APPLICANT: KLABZUBA OIL & GAS, INC. - HILL COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to designate all of Section 3, T35N-R15E, Hill County, Montana, as a permanent spacing unit for production of gas from the Eagle Sand Formation and to designate the Hilldale Colony #3-35-15 well as the permitted well for production from said permanent spacing unit.

Docket No. 228-2000

APPLICANT: KLABZUBA OIL & GAS, INC. - HILL COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to pool all interests in the permanent spacing unit comprised of all of Section 3, T35N-R15E, Hill County, Montana, for production of gas from the Eagle Sand Formation and to impose the non-joinder costs provided for in Section 82-11-202 (2), MCA.

Docket No. 229-2000

APPLICANT: KLABZUBA OIL & GAS, INC. - HILL COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to designate all of Section 11, T35N-R15E, Hill County, Montana, as a permanent spacing unit for production of gas from the Eagle Sand Formation and to designate the Willow Creek-Federal #11-35-15 well as the permitted well for production from said permanent spacing unit.

Docket No. 230-2000

APPLICANT: KLABZUBA OIL & GAS, INC. - HILL COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to pool all interests in the permanent spacing unit comprised of all of Section 11, T35N-R15E, Hill County, Montana, for production of gas from the Eagle Sand Formation and to impose the non-joinder costs provided for in Section 82-11-202 (2), MCA.

Docket No. 231-2000

APPLICANT: KLABZUBA OIL & GAS, INC. - BLAINE COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to designate all of Section 15, T34N-R18E, Blaine County, Montana, as a permanent spacing unit for the production of gas from the Eagle Sand Formation and to designate the Hall #15-34-18 well as the permitted well for production from said permanent spacing unit.

Docket No. 232-2000

APPLICANT: KLABZUBA OIL & GAS, INC. - BLAINE COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to pool all interests in the permanent spacing unit comprised of all of Section 15, T34N-R18E, Blaine County, Montana, for production of gas from the Eagle Sand Formation and to impose the non-joinder costs provided for in Section 82-11-202 (2), MCA.

Docket No. 233-2000

APPLICANT: KLABZUBA OIL & GAS, INC. - BLAINE COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to designate all of Section 22, T35N-R19E, Blaine County, Montana, as a permanent spacing unit for production of gas from the Eagle Sand Formation and to designate the Federal #22-35-19 well as the permitted well for production from said formation within the permanent spacing unit.

Docket No. 234-2000

APPLICANT: KLABZUBA OIL & GAS, INC. - BLAINE COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to pool all interests in the permanent spacing unit comprised of all of Section 22, T35N-R19E, Blaine County, Montana, for production of gas from the Eagle Sand Formation and to impose the non-joinder costs provided for in Section 82-11-202 (2), MCA.

Docket No. 235-2000

APPLICANT: KLABZUBA OIL & GAS, INC. - HILL COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to designate all of Section 18, T35N-R17E, Hill County, Montana, as a permanent spacing unit for production of gas from the Eagle Sand Formation and to designate the Arney-Lafrenz #18-35-17 well as the permitted well for production from said permanent spacing unit.

Docket No. 236-2000

APPLICANT: KLABZUBA OIL & GAS, INC. - HILL COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to pool all interests in the permanent spacing unit comprised of all of Section 18, T35N-R17E, Hill County, Montana, for production of gas from the Eagle Sand Formation and to impose the non-joinder costs provided for in Section 82-11-202 (2), MCA.

Docket No. 237-2000

APPLICANT: KLABZUBA OIL & GAS, INC. - BLAINE COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to designate all of Section 15, T33N-R18E, Blaine County, Montana, as a permanent spacing unit for production of gas from the Eagle Sand Formation and to designate the Briese Brothers #15-33-18 well as the permitted well for production from said permanent spacing unit.

Docket No. 238-2000

APPLICANT: KLABZUBA OIL & GAS, INC. - BLAINE COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to pool all interests in the permanent spacing unit comprised of all of Section 15, T33N-R18E, Blaine County, Montana, for production of gas from the Eagle Sand Formation and to impose the non-joinder costs provided for in Section 82-11-202 (2), MCA.

Docket No. 239-2000

APPLICANT: KLABZUBA OIL & GAS, INC. - HILL COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to designate the S½ of Section 25 and the N½ of Section 36, T35N-R15E, Hill County, Montana, as a permanent spacing unit for production of gas from the Eagle Sand Formation and to designate applicant's Verploegen #25-35-15 well as the permitted well for production from said permanent spacing unit.

Docket No. 240-2000

APPLICANT: KLABZUBA OIL & GAS, INC. - HILL COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to pool all interests in the permanent spacing unit comprised of the S½ of Section 25 and the N½ of Section 36, T35N-R15E, Hill County, Montana, for production of gas from the Eagle Sand Formation and to impose the non-joinder costs provided for in Section 82-11-202 (2), MCA.

Docket No. 241-2000

APPLICANT: KLABZUBA OIL & GAS, INC. - BLAINE COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to impose non-joinder costs with respect to the drilling and completion of the Hall #1-33-18B well in the spacing unit comprised of all of Section 1, T33N-R18E, Blaine County, Montana.

Docket No. 242-2000

APPLICANT: KLABZUBA OIL & GAS, INC. - HILL COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to drill an additional well in the permanent spacing unit comprised of the S½ of Section 8 and the N½ of Section 17, T33N-R14E, Hill County, Montana, to test prospective zones and formations from the surface down to the base of the Second White Specks Formation at a location 50 FNL and 2500 FEL of said Section 17, as an exception to Board Order 124-2000 and to allow a 75 foot tolerance in any direction for topographic reasons from said location.

Docket No. 243-2000

APPLICANT: KLABZUBA OIL & GAS, INC. - HILL COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to drill an additional Eagle Sand Formation gas well in the permanent spacing unit comprised of the S½ of Section 8 and the N½ of Section 17, T33N-R14E, Hill County, Montana, at a location 1500 FSL and 1500 FEL of said Section 8 with a 75 foot tolerance in any direction for topographic reasons as an exception to Board Order 124-2000.

Docket No. 244-2000

APPLICANT: KLABZUBA OIL & GAS, INC. - HILL COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to drill an additional Eagle Sand Formation gas well 1450 FSL and 1320 FWL of Section 8, T33N-R14E, Hill County, Montana, with a 75 foot tolerance in any direction for topographic reasons as an exception to Board Order 124-2000.

Docket No. 150-2000 Continued from October, 26, 2000

APPLICANT: BERCO RESOURCES, LLC - SHERIDAN COUNTY, MONTANA

Upon the application of **BERCO RESOURCES, LLC** to convert its Brekke #1 well in Section 1, T33N-R55E, Sheridan County, Montana, to a salt water disposal well to dispose of produced water from its operations in Sheridan County, Montana, into the Dakota Formation at a depth of 4002-4526 feet.

Docket No. 155-2000 Continued from October 26, 2000

APPLICANT: REDSTONE GAS PARTNERS, LLC - BIG HORN COUNTY, MONTANA

Upon the application of **REDSTONE GAS PARTNERS, LLC** to establish permanent spacing units within the CX Field in Big Horn County, Montana, in accordance with the provisions of Board Order 108-97 which established temporary spacing units for said field and required applicant to apply for permanent spacing one year after the date of first production from this field. Applicant requests that the temporary spacing units established by said Board Order be designated and established as permanent spacing units.

Docket No. 160-2000 Continued from October 26, 2000

APPLICANT: OCEAN ENERGY RESOURCES, INC. - HILL COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an Eagle-Virgelle Formation gas well at a location 1200 FEL and 1200 FSL of Section 34, T32N-R14E, Hill County, Montana, with a 150 foot tolerance in any direction for topographic and/or geologic reasons as an exception to the Tiger Ridge Field rules established by Board Orders 10-70 and 45-78.

Docket No. 161-2000 Continued from October 26, 2000

APPLICANT: OCEAN ENERGY RESOURCES, INC. - HILL COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an Eagle-Virgelle Formation gas well at a location 1000 FEL and 1000 FNL of Section 20, T32N-R17E, Hill County, Montana, with a 150 foot tolerance in any direction for topographic and/or geologic reasons as an exception to the Tiger Ridge Field rules.

Docket No. 162-2000 Continued from October 26, 2000

APPLICANT: OCEAN ENERGY RESOURCES, INC. - HILL COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an Eagle-Virgelle Formation gas well at a location 1000 FWL and 2100 FSL of Section 20, T32N-R17E, Hill County, Montana, with a 150 foot tolerance in any direction for topographic and/or geologic reasons as an exception to the Tiger Ridge Field rules, which limit the number of Eagle-Virgelle wells in said Section.

Docket No. 163-2000 and 5-2000 FED Continued from October 26, 2000

APPLICANT: OCEAN ENERGY RESOURCES, INC. - HILL COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an Eagle Sand Formation gas well at a location 2100 FWL and 400 FNL of Section 29, T30N-R15E, Hill County, Montana, as an exception to Board Order 10-70 and BLM Order 3-90 FED.

Docket No. 164-2000 Continued from October 26, 2000

APPLICANT: OCEAN ENERGY RESOURCES, INC. - BLAINE COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an additional Eagle Sand Formation well at a location 660 FNL and 800 FEL of Section 5, T27N-R19E, Blaine County, Montana, with a 150 foot tolerance in any direction for topographic and/or geologic reasons as an exception to the Sawtooth Mountain Field rules established by Board Orders 45-76 and 65-85.

Docket No. 165-2000 Continued from October 26, 2000

APPLICANT: OCEAN ENERGY RESOURCES, INC. - BLAINE COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an additional Eagle Sand Formation gas well at a location 990 FNL and 660 FEL of Section 14, T27N-R18E, Blaine County, Montana, with a 150 foot tolerance in any direction for topographic and/or geologic reasons as an exception to the Sawtooth Mountain Field rules established by Board Orders 45-76 and 22-99.

Docket No. 166-2000 Continued from October 26, 2000

APPLICANT: OCEAN ENERGY RESOURCES, INC. - CHOUTEAU COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an additional Eagle-Virgelle Formation gas well at a location 1350 FWL and 1000 FNL in the N½ of Section 21, T27N-R16E, Chouteau County, Montana, with a 150 foot tolerance in any direction for topographic and/or geologic reasons as an exception to the Bullwacker Field rules established by Board Orders 26-74 and 98-2000.

Docket No. 167-2000 Continued from October 26, 2000

APPLICANT: OCEAN ENERGY RESOURCES, INC. - CHOUTEAU COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an additional Eagle-Virgelle Formation gas well at a location 1980 FEL and 2450 FSL in the E½ of Section 25, T27N-R15E, Chouteau County, Montana, with a 150 foot tolerance in any direction for topographic and/or geologic reasons as an exception to the Bullwacker Field rules established by Board Orders 26-74 and 5-2000.

Docket No. 168-2000 Continued from October 26, 2000

APPLICANT: OCEAN ENERGY RESOURCES, INC. - CHOUTEAU COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an additional Eagle-Virgelle Formation gas well at a location 1350 FNL and 2300 FEL in the N½ of Section 26, T27N-R15E, Chouteau County, Montana, with a 200 foot tolerance in any direction for topographic and/or geologic reasons as an exception to the Bullwacker Field rules established by Board Order 26-74.

Docket No. 169-2000 Continued from October 26, 2000

APPLICANT: OCEAN ENERGY RESOURCES, INC. - CHOUTEAU COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an additional Eagle-Virgelle Formation gas well at a location 990 FWL and 990 FSL in the S½ of Section 26, T27N-R15E, Chouteau County, Montana, with a 200 foot tolerance in any direction for topographic and/or geologic reasons as an exception to the Bullwacker Field rules established by Board Order 26-74.

Docket No. 170-2000 Continued from October 26, 2000

APPLICANT: OCEAN ENERGY RESOURCES, INC. - CHOUTEAU COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an additional Eagle-Virgelle Formation gas well at a location 1300 FEL and 660 FNL in the $N\frac{1}{2}$ of Section 30, T27N-R16E, Chouteau County, Montana, with a 200 foot tolerance in any direction for topographic and/or geologic reasons as an exception to the Bullwacker Field rules established by Board Order 26-74.

Docket No. 171-2000 Continued from October 26, 2000

APPLICANT: OCEAN ENERGY RESOURCES, INC. - CHOUTEAU COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an additional Eagle-Virgelle Formation gas well at a location 2280 FEL and 2124 FSL in the S½ of Section 30, T27N-R16E, Chouteau County, Montana, with a 200 foot tolerance in any direction for topographic and/or geologic reasons as an exception to the Bullwacker Field rules established by Board Order 26-74.

Docket No. 172-2000 Continued from October 26, 2000

APPLICANT: OCEAN ENERGY RESOURCES, INC. - BLAINE COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an additional Eagle Formation gas well at a location 2000 FNL and 1000 FEL in Section 7, T25N-R18E, Blaine County, Montana, with a 150 foot tolerance in any direction for topographic and/or geologic reasons as an exception to ARM 36.22.702.

Docket No. 245-2000 ORDER TO SHOW CAUSE

RESPONDENT: CENTRAL RESOURCES, INC. - ROSEBUD COUNTY, MONTANA

Upon the Board's own motion requiring **CENTRAL RESOURCES, INC.** to appear and show cause why it should not be penalized for its failure to conduct mechanical integrity tests on the Sawyer #1 water injection well and the Kincheloe #2 water injection well and to timely renew pit permits for the Sawyer Water Flood Unit and the Nason-Kincheloe lease in the Sawyer Water Flood Unit.

Docket No. 246-2000 ORDER TO SHOW CAUSE

RESPONDENT: GUY WIGGS - TOOLE, BIG HORN AND MCCONE COUNTIES, MONTANA

Upon the Board's own motion requiring the **ESTATE OF GUY WIGGS** and its bonding company to appear and show cause why its bond should not be forfeited for failure to plug and abandon nine wells which have been shutin for ten years and for failure to increase its bond.

Docket No. 247-2000 ORDER TO SHOW CAUSE

RESPONDENT: OAKLEY & HAYS - TOOLE COUNTY, MONTANA

Upon the Board's own motion requiring **OAKLEY & HAYES** and its bonding company to appear and show cause why its bond should not be forfeited for failure to plug and abandon six wells which have been shut-in for more than ten years and for failure to increase its bond.

DOCKET NO. 142-2000 ORDER TO SHOW CAUSE Continued from October 26, 2000

RESPONDENT: ROCKY MOUNTAIN OPERATING COMPANY - BIG HORN COUNTY, MONTANA

Upon the Board's own order requiring **ROCKY MOUNTAIN OPERATING COMPANY** to appear and show cause why the Board should not act to correct Rocky Mountain Operating Company's yearly spills from its four producing oil wells from the Tensleep Sandstone in Snyder Creek Field, Big Horn County, Montana.

BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA

Terri Perrigo, Executive Secretary